

HOUSE BILL 927

C7

2lr1612

By: **Calvert County Delegation**

Introduced and read first time: February 10, 2012

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Calvert County – Electronic Bingo**

3 FOR the purpose of authorizing an entity in Calvert County that is licensed to offer
4 electronic or instant bingo under a commercial bingo license on a certain date or
5 an entity that is a certain qualified organization to continue to operate a game
6 of electronic or instant bingo under certain circumstances; requiring the State
7 Lottery Commission to establish certain procedures and regulations relating to
8 electronic bingo machines in Calvert County; specifying the manner of
9 distribution of revenue from the State admissions and amusement tax on
10 electronic bingo or electronic tip jars in Calvert County; imposing a certain
11 State admissions and amusement tax rate on certain net proceeds from a
12 certain machine, apparatus, or device; specifying the maximum rate of the
13 Calvert County admissions and amusement tax applicable to net proceeds
14 derived from electronic bingo or electronic tip jars; specifying the maximum rate
15 of the admissions and amusement tax of any municipal corporation that is
16 applicable to net proceeds derived from electronic bingo or electronic tip jars;
17 providing for the termination of this Act; and generally relating to electronic
18 bingo in Calvert County.

19 BY adding to

20 Article – Criminal Law

21 Section 12–308

22 Annotated Code of Maryland

23 (2002 Volume and 2011 Supplement)

24 BY adding to

25 Article – State Government

26 Section 9–1B–01 to be under the new subtitle “Subtitle 1B. Electronic Bingo in
27 Calvert County”

28 Annotated Code of Maryland

29 (2009 Replacement Volume and 2011 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY repealing and reenacting, with amendments,
2 Article – Tax – General
3 Section 2–202(a) and 4–105(a–1)
4 Annotated Code of Maryland
5 (2010 Replacement Volume and 2011 Supplement)

6 BY adding to
7 Article – Tax – General
8 Section 2–202(d)
9 Annotated Code of Maryland
10 (2010 Replacement Volume and 2011 Supplement)

11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
12 MARYLAND, That the Laws of Maryland read as follows:

13 **Article – Criminal Law**

14 **12–308.**

15 **NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBTITLE, AN**
16 **ENTITY IN CALVERT COUNTY LICENSED TO OFFER ELECTRONIC OR INSTANT**
17 **BINGO UNDER A COMMERCIAL BINGO LICENSE ON DECEMBER 31, 2008, OR A**
18 **QUALIFIED ORGANIZATION AS DEFINED IN § 13–201 OF THIS ARTICLE ON THE**
19 **PREMISES OF THE QUALIFIED ORGANIZATION, MAY CONTINUE TO OPERATE A**
20 **GAME OF ELECTRONIC OR INSTANT BINGO IN THE SAME MANNER USING**
21 **ELECTRONIC MACHINES, PROVIDED THAT:**

22 **(1) (I) THE MACHINES WERE IN OPERATION FOR A 1–YEAR**
23 **PERIOD ENDING DECEMBER 31, 2008; OR**

24 **(II) THE MACHINES WERE IN OPERATION UNDER A**
25 **COMMERCIAL BINGO LICENSE ON DECEMBER 31, 2009;**

26 **(2) THE ENTITY DOES NOT OPERATE MORE THAN THE NUMBER OF**
27 **ELECTRONIC MACHINES IN OPERATION ON DECEMBER 31, 2008; AND**

28 **(3) THE CONDUCT OF THE GAMING AND OPERATION OF THE**
29 **MACHINES ARE CONSISTENT WITH ALL OTHER PROVISIONS OF THIS ARTICLE.**

30 **Article – State Government**

31 **SUBTITLE 1B. ELECTRONIC BINGO IN CALVERT COUNTY.**

32 **9–1B–01.**

1 **(A) FOR THE OPERATION OF ELECTRONIC BINGO MACHINES OFFERED**
2 **TO THE PUBLIC IN CALVERT COUNTY UNDER § 12-308 OF THE CRIMINAL LAW**
3 **ARTICLE, THE STATE LOTTERY COMMISSION SHALL ESTABLISH PROCEDURES**
4 **TO:**

5 **(1) AUTHENTICATE THE SOFTWARE USED IN THE MACHINES;**

6 **(2) VERIFY THE IDENTITY, QUANTITY, AND LOCATION OF THE**
7 **MACHINES; AND**

8 **(3) AUDIT THE ACCOUNTS AND RECORDS RELATING TO THE**
9 **MACHINES OF THE ENTITIES THAT OPERATE THE MACHINES.**

10 **(B) THE COMMISSION SHALL ADOPT REGULATIONS TO CARRY OUT THIS**
11 **SECTION.**

12 **Article – Tax – General**

13 2-202.

14 (a) After making the distribution required under § 2-201 of this subtitle,
15 within 20 days after the end of each quarter, the Comptroller shall distribute:

16 (1) except as provided in [subsection (b)] **SUBSECTIONS (B) AND (D)**
17 of this section, from the revenue from the State admissions and amusement tax on
18 electronic bingo and electronic tip jars under § 4-102(d) of this article:

19 (i) the revenue attributable to a tax rate of 20% to the General
20 Fund of the State; and

21 (ii) the revenue attributable to a tax rate in excess of 20% to the
22 Special Fund for Preservation of Cultural Arts in Maryland, as provided in § 4-801 of
23 the Economic Development Article; and

24 (2) the remaining admissions and amusement tax revenue:

25 (i) to the Maryland Stadium Authority, county, or municipal
26 corporation that is the source of the revenue; or

27 (ii) if the Maryland Stadium Authority and also a county or
28 municipal corporation tax a reduced charge or free admission:

29 1. 80% of that revenue to the Authority; and

1 (ii) **EXCEPT AS PROVIDED IN SUBPARAGRAPH (III) OF THIS**
2 **PARAGRAPH**, the rate of any county [or municipal corporation] admissions and
3 amusement tax that is applicable to net proceeds derived from electronic bingo or
4 electronic tip jars may not exceed the rate of the admissions and amusement tax
5 imposed by the county or municipal corporation as of January 1, 2009;

6 **(III) THE RATE OF THE CALVERT COUNTY ADMISSIONS AND**
7 **AMUSEMENT TAX THAT IS APPLICABLE TO NET PROCEEDS DERIVED FROM**
8 **ELECTRONIC BINGO OR ELECTRONIC TIP JARS MAY NOT EXCEED 2.5%; AND**

9 **(IV) THE RATE OF ANY MUNICIPAL CORPORATION**
10 **ADMISSIONS AND AMUSEMENT TAX THAT IS APPLICABLE TO NET PROCEEDS**
11 **DERIVED FROM ELECTRONIC BINGO OR ELECTRONIC TIP JARS MAY NOT**
12 **EXCEED 2.5%.**

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
14 July 1, 2012. It shall remain effective for a period of 4 years and, at the end of June 30,
15 2016, with no further action required by the General Assembly, this Act shall be
16 abrogated and of no further force and effect.